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DEPARTMENT OF NATURAL RESOURCES

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Executive Director

Division of Oil, Gas and Mining

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Division Director

M0470090
Task 2751

January 14, 2009

Barclay Cuthbert
Earth Energy Resource Inc.
Suite 740, 404-6 Avenue S. W.
Calgary, Alberta, Canada T2P 0R9

Subject: Third Review of Notice of Intention to Commence Large Mining Operations, Earth Energy Resources, PR Springs Mine, M0470090, Task 2032, Uintah County, Utah

Dear Mr. Cuthbert:

The Division has completed a review of your Notice of Intention to Commence Large Mining Operations for the PR Springs Mine, located in Uintah County, Utah, which was received November 13, 2008. The attached comments will need to be addressed before tentative approval may be granted.

The comments are listed under the applicable Minerals Rule heading; please format your response in a similar fashion. Please address only those items requested in the attached technical review by sending replacement pages of the original mining notice using **redline and strikeout** text, so we can see what changes have been made. After the notice is determined technically complete and we are prepared to issue final approval, we will ask that you send us two clean copies of the complete and corrected plan. Upon final approval of the permit, we will return one copy stamped "approved" for your records.

The Division will suspend further review of the Notice of Intention until your response to this letter is received. If you have any questions in this regard please contact me at 801-538-5320 or, Lynn Kunzler (801)538-5310, Tom Munson (801)538-5321, Paul Baker (801)538-5267, or Leslie Hepler (801)538-5257 of the Minerals Staff.. Thank you for your cooperation in completing this permitting action.

Sincerely,

Paul B. Baker
Minerals Program Manager

PBB:lah:vs
Task # 2751
Attachment: Review
cc: Will Stokes, SITLA & Jerry Kenczka BLM
P:\GROUPS\MINERALS\WP\M047-Uintah\M0470090-PRSpringMine\final\rev3-0 1142008.doc



Third Review
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**Second REVIEW OF NOTICE OF INTENTION
TO COMMENCE LARGE MINING OPERATIONS**

**Earth Energy Resources
PR Springs Mine**

**M0470090
January 12, 2009**

General Comments:

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
1	General	Submittal should be formatted to easily incorporate additional revisions and amendments.	lah	
2	General Page i	Table of Content page numbers do not match page numbers, Format document to incorporate revisions, page numbers can be "tied" to info in the Table of Contents	lah	
3	General Page ii	List of figures shown doesn't note the actual location of the Figure, specifically it is not clear what figures are in the confidential notebook.	lah	
4	Intro Page 1	Page numbers are not consistent, ie Pages listed as "ii, 1, ii, 3" Keep pages consistent and format document for revisions... Check all page numbers.	lah	
5	Intro Page ii - Para 2	As written "second half of 2008..." Where are the results of the drilling and geophysical data? Where will it be incorporated into the document?	lah	
6	General - All	Some of the information in the confidential folder does not appear to meet the criteria in R647-4-115 for keeping it confidential. Information about the general location of the mine and the mine plan should be public. More specific information relating to ore quality and location, such as seam thickness, and also proprietary information can be kept confidential.	Lah and PBB	

R647-4-104 - Filing Requirements and Review Procedures

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
7	Page 6	Grand County CUP (Conditional Use Permit) will be required for the approved NOI by DOGM, as written when the CUP is received this page will have to be amended. Consider rewording statement, so this page would not have to be revised.	lah	

R647-4-105 - Maps, Drawings & Photographs

General Map Comments

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Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
8	Conf - Figure 2	Rip-rap armored channel – As shown channels will be difficult to build without disturbance outside the “affected area”	lah	
9	Conf- Figure 3	Great figure to tie to the bond calc sheet	lah	

R647-4-106 - Operation Plan

106.2 Type of operations conducted, mining method, processing etc.

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
10	Page 13 – para 3	List of mining equipment is noted in Appendix D, but it is actually in confidential notebook, it is unclear why a list of Mining Equipment is confidential??	lah	
11	General	It was noted in a site visit that water ponds on top of the oil sands. Please include a discussion indicating how this aquitard situation will affect the mining method.	lah	
12	Page 17 – Para 3 & 5	DWQ Permit by Rule determination is required for the approved NOI by DOGM, as written when the determination is received this page will have to be amended. Consider rewording statement, so this page would not have to be revised.	lah	
13	Page 19 – para 2	“Earth Energy will supply...” perhaps rewrite to note ‘processed sand will be placed to eliminate potential slope stability failure surfaces’ or wording that is similar. This would eliminate the need to revise text in a future amendment.	lah	

106.6 Plan for protecting & redepositing soils

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
14	Page 26 - 27	After a site visit it noted that greater 24” of topsoil was noted on the ridge top. As noted topsoil depth varies. Document should reflect the variable amount	lah	

R647-4-109 - Impact Assessment

109.1 Impacts to surface & groundwater systems

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
15	49	The SWPPP plan must be incorporated into the Notice of Intent prior to approval.	TM	

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
16	47	It appears that the majority of runoff will occur as snowmelt or short duration thunderstorms. The slopes on the overburden interburden storage areas are 400 feet long with no proposed slope breaks. This not standard engineering practice and fails to provide the assurance needed that these slopes will be an erosional problem. The plan describes the coarse nature of these overburden and interburden storage areas yet 50 percent of the dumps will be constructed of the processed sand with a 20 percent clay component which if exposed would probably tend to be very erosive. Therefore the construction of these overburden/interburden storage areas will define whether impact to the surface water systems will occur. Please elaborate on how the containment pens, mixing of the overburden and interburden with the sand will provide a stable surface free of fines.	TM	

109.4 Slope stability, erosion control, air quality, safety

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
17	20	Runoff will be controlled on the exposed faces of the overburden/interburden storage areas with coarse/low sediment potential material. Since the dumps will be constructed or sloped at the angle of repose (30 degrees to 34 degrees). Please give a better description of how these waste dumps will be constructed (end dumping, bulldozed, etc). Please show a typical drawing of the containment pens and how this method of construction will be accomplished on a 40 degree slope and will fit with the dump construction methods. Are the waste dump slopes going to be constructed by end dumping, alternating between the overburden and the sand and clay waste stream material? How will the clay and sand waste be mixed and placed with the overburden when the overburden will be a totally different composition? Would it not be better to build these dumps in lifts, creating more stability and making reclamation easier at the end of mine life?	TM	
18	Page 49 Omission	Air Quality – Most of the written discussion is in regards to dust and equipment emissions. What Air Quality issues will be addressed regarding the process facilities?	lah	

R647-4-110 - Reclamation Plan

110.2 Roads, highwalls, slopes, drainages, pits, etc., reclaimed

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
19	44	This page describes concurrent reclamation of the pit areas but does not discuss the waste dump topsoil placement. Please provide how these overburden interburden storage areas will be topsoiled and reclaimed.	TM	

110.5 Revegetation planting program

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Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
20	Pg. 59 Seedmix	The seed mix provided is not specific as to what is actually planned. (i.e only 11 of the 17 species listed will be used). Please indicate which species are the preferred species and omit the rest (if at the time of reclamation, the preferred species are not available then substitutions can be made at that time, with species that are available). It is suggested that both forb species, and all shrub species be used (for a total of 14 species).	LK	

R647-4-113 – Surety

Comment #	Sheet/Page/Map/Table #	Comments	Initials	Review Action
21	Page 62	Item 15&16 – Post mine monitoring is not a subtotal, Escalation applies.	lah	
22	Appendix E	DOGM standardized Spread Sheet will be supplied.	WHW	
23	Appendix E – Page 3	Bond Calculation is to assume the worst-case scenario, calc needs to assume the pit has not been backfilled and the slope s will need to be bonded.	lah	
24	Appendix E- Page 3	As noted “ mine will be backfilled “50-60%...” Does this statement reflect Figure 9?	lah	
25	General	The Division is pleased with the Reclamation Map figure 6, but we would like a “Bond” map that would associate the site with the bond calc that is a worst-case scenario.	lah	
26	General	More comments will be forth coming when standardized spread sheet is utilized	lah	